MODIMOLLE-MOOKGOPHONG LOCAL MUNICIPALITY

DRAFT INDIGENT MANAGEMENT POLICY

FOR THE YEAR 2020 / 2021

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PART 1 OBJECTIVE

Because of the level of unemployment and subsequent poverty in the municipal area, there are households which are unable to pay for basic municipal services. The municipality therefore adopts this indigent management policy to ensure that these households have access to at least such basic municipal services, and is guided in the formulation of this policy by the national government's policy in this regard.

PART 2 FREE BASIC SERVICES

All qualifying households shall receive free of charge the first 6 kl of water and the first -50 kWh of electricity consumed per household per month. Any consumption above this minimum will be charged on the consumer's municipal account.

In respect of sewerage charges and charges for household refuse removal, the relief granted shall not be less than a rebate of 50% on the monthly amount billed for the service concerned.

PART 3 WHO QUALIFIES FOR FURTHER INDIGENT SUPPORT

Households where a verified total gross monthly income of all occupants over 18 years of age does not exceed R4 000. Council may revise the amount annually to determine, who may qualify for a subsidy on property rates and service charges for sewerage and refuse removal. Applicants are verified by vetting their ID numbers through ITC and Credit Bureaus, SARS and Department of Labour

systems. State dependants occupying RDP houses without title deeds also qualify for indigent support.

For a household to qualify for subsidies on non-metered service charges, the qualifying indigent must be the full-time occupant of the property concerned, and if also the owner of the property concerned, may not own any other property, whether in or out of the municipal area.

For a household to qualify for a rebate on property rates, the qualifying indigent must be both the owner and fulltime occupant of the property concerned, and may not own any other property, whether in or out of the municipal area.

Indigent relief shall apply for a period not extending beyond the financial year in which the particular household qualifies as indigent. An application for further relief must be made anew before the start of each financial year.

To qualify as an indigent, the relevant property owner or accountholder must annually (for the periods 1 July to 30 June each year) complete and sign the application form provided by the municipality for this purpose, and furnish such further documentation as the municipality specifies. The municipal manager will provide assistance to persons who cannot read or write, at such times and places as are specified in the notices published to indicate that applications for indigent relief may be made.

The municipality will review such applications on a monthly basis to ensure that the indigent household still qualifies for such grant.

PART 4 APPLICATION OF THE POLICY

The subsidies on property rates and non-metered service charges will be determined as part of each annual budget and in terms of the municipality's

policies on property rates and tariffs. The quantum of the relief granted will be determined by considerations of affordability in the context of each budget.

In respect of property rates, the rebate shall not exceed 100% of the rates based on the rateable value up to R30 000.

PART 5 NON-COMPLIANCE OF HOUSEHOLDS QUALIFYING AS INDIGENT

When a property owner or who qualifies as an indigent and receives indigent relief in terms of this policy, subsequently fails to comply with any arrangements or conditions materially relevant to the receipt of such indigent relief, such person will forfeit his or her status as a qualifying indigent with immediate effect, and will thereafter be treated as an ordinary residential property owner or accountholder for the financial year concerned.

The onus is on each qualifying indigent to advise the municipal manager of such failure to comply.

It may happen that even with the introduction of the indigent policy, certain households may fall into arrears in respect of the amounts due by them. The property owner or accountholder concerned will have to make immediate arrangements with the municipal manager to pay off these arrears owing within a reasonable time determined by the municipal manager in terms of the municipality's credit control and debt collection policy. If these arrangements are not made, no further subsidies will be paid, and metered services may be terminated in terms of the municipality's credit control and debt collection policy.

The relief to indigents may be withdrawn at the discretion of the municipal manager if:

- an indigent who qualifies for such relief fails to keep to the terms of the policy agreement; or

- any tampering with the installations of the municipality is detected.

If a qualifying indigent is found to have provided fraudulent information to the municipality in regard to any material condition for qualification as an indigent, such person shall immediately cease so to qualify, and shall be liable to repay to the municipality with immediate effect all indigent relief received from the date of such fraudulent application. Moreover, such person may not again be considered for indigent relief for a period extending for 5 (five) years beyond the financial year in which the misdemeanour is detected.

Indigent relief will not apply in respect of property owners owning more than one property, whether in or outside the municipal area.

PART 6 REPORTING REQUIREMENTS

The municipal manager shall report on a monthly basis to the mayor and executive committee, for the month concerned and by municipal ward:

- the number of households qualifying as indigents and a brief explanation of any movements in such numbers;
- the monetary value of the actual subsidies and rebates granted;
- the budgeted value of the subsidies and rebates concerned; and

the above information cumulatively for the financial year to date.

The applicable portfolio committee, shall submit the above reports on a quarterly basis to the council and to the municipality's ward committees, or more frequently to any ward committees if so requested.

This Policy takes effect from the 1st of July 2019